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CLERK U.S. DISTRICT COURT
DISTRICT OF ARIZONA

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

United States of America,
Plaintiff,

vs.

Felipe Fuentes,
Defendant.

CR 22-824-TUC-RCC-LAB

INFORMATION

Count 1: 18 U.S.C. §§ 371, 1343, 1346
(Conspiracy to Commit Honest Services
Wire Fraud)

THE UNITED STATES ATTORNEY'S OFFICE CHARGES:

COUNT ONE

18 U.S.C. §§ 371, 1343, 1346

(Conspiracy to Commit Honest Services Wire Fraud)

At all times material to the Information:

Introductory Allegations

1. The defendant, FELIPE FUENTES, was the elected County Assessor for Santa Cruz County, Arizona, having been elected to the position in 1998.

2. Santa Cruz County was a political subdivision of the State of Arizona governed by an elected board of supervisors and various elected heads of county departments.

3. According to the Santa Cruz County website, the duties of the County Assessor were to oversee the office that “values all locally assessed properties in the county for ad valorem tax purposes,” including all commercial property, residential property, and vacant land.

4. Pursuant to state law, all county assessors in the State of Arizona were required to take the following oath or affirmation upon assuming office: “I do solemnly swear (or affirm) that I will well and truly discharge the duties of assessor of the county of _____, and will, to the best of my knowledge and ability, truly and fairly determine the valuation, without favor or partiality, of all the taxable property in said county at its full cash value.”

5. As an elected official in Santa Cruz County, FUENTES owed a fiduciary duty to Santa Cruz County and its citizens to perform the duties and responsibilities of his office free from corrupt influence.

6. Person A was a large landowner residing in Santa Cruz County, and was a principal, partner, member, or officer in various corporate and other business entities.

7. Person B was a businessperson based in Nogales, Arizona, who acted as an agent for Person A in connection with certain property transactions and business before government agencies and bodies.

The Conspiracy

8. Beginning from a time unknown, but at least including in or about 2007, to in or about October 2019, in the District of Arizona and elsewhere, the defendant, FELIPE FUENTES, knowingly and intentionally combined, conspired, confederated, and agreed with persons known and unknown, including Person A and Person B, to devise and intend to devise a scheme and artifice to defraud and to deprive Santa Cruz County and its citizens of their intangible right to the honest services of FELIPE FUENTES, an elected county official, through bribery.

The Purpose of the Conspiracy

9. The purpose of the conspiracy was for FUENTES and his co-conspirators, including Person A and Person B, unlawfully to benefit and enrich themselves through bribery of FUENTES.

The Manner and Means of the Conspiracy

10. The manner and means by which FUENTES and his co-conspirators carried out the conspiracy included, but were not limited to, the following:

11. FUENTES solicited and accepted, and Person A and Person B offered and provided to FUENTES, things of value at irregular intervals during the course of the conspiracy as a stream of benefits in return for FUENTES being influenced in the performance of official acts.

12. Among the things of value that Person A and Person B provided to FUENTES as part of this stream of benefits were:

a. Approximately \$20,000 in cash payments, including in or about July of 2019, when FUENTES received approximately \$1,500 cash from Person A and Person B (in his capacity as Person A's agent), which FUENTES used to finance a trip to Minneapolis, Minnesota to attend a college graduation ceremony.

b. FUENTES's free use for many years of a 17-acre ranch in Santa Cruz County owned, in part, by one of Person A's business entities.

13. In exchange for this stream of benefits, FUENTES performed and agreed to perform various official acts in his capacity as Santa Cruz County Assessor to benefit Person A and his business entities as specific opportunities arose.

14. Among the official acts FUENTES performed and agreed to perform were:

a. Altering the assessed value on multiple undeveloped lots in Tubac, Arizona, owned by one of Person A's business entities, from \$14,000 per lot to \$2,500 per lot, in order to reduce yearly tax liability due and owing for the parcels;

b. Altering the assessed value on a cement parcel owned by one of Person A's business entities from over \$2 million to approximately \$1.4 million;

1 c. Agreeing to provide a letter representing an inflated valuation for a mobile
2 home park owned by one of Person A's business entities in order to increase the purchase
3 price of the property in connection with a sale of the property to the Arizona Department
4 of Transportation as part of a project to expand Interstate 19.

5 15. FUENTES and his co-conspirators used phones and e-mail to communicate
6 about the conspiracy, including communications that resulted in interstate wire
7 transmissions.

8 16. FUENTES and his co-conspirators used code words to refer to the bribes.
9 For example, when Person B had a cash bribe payment to provide to FUENTES on Person
10 A's behalf, Person B would tell FUENTES that Person B had some "papers" or "files" in
11 his office that FUENTES needed to review. FUENTES would then go to Person B's office
12 and other locations to retrieve the cash bribe payments.

13 **Overt Acts of the Conspiracy**

14 17. On or about June 24, 2019, in the District of Arizona and elsewhere,
15 FUENTES and Person B had a telephone conversation that caused an interstate wire
16 transmission in which they discussed a bribe payment from Person A.

17 All in violation of Title 18, United States Code, Section 371.

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20 United States Attorney
21 District of Arizona

22 Digitally signed by RYAN
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Date: 2022.04.21 15:03:03 -07'00'

23 _____
24 Date

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